

# **FISCAL NOTE**

## **HB 2401 - SB 2608**

February 5, 2002

### **SUMMARY OF BILL:**

- Prohibits the sale of gift certificates containing expiration dates of less than twelve (12) months.
- Provides that any gift certificate sold without an expiration date is valid until redeemed or replaced.
- Excludes gift certificates that: have a cash value of \$100 or less; are part of a loyalty or promotion program; are issued as promotional awards and gift certificates sold below face value to employers and/or to charitable organizations for fundraising; are issued for a food product.
- A violation of the provisions of this bill is punishable as a Class B misdemeanor under TCA 47-18-104(a).

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Not Significant**

**Increase Local Govt. Revenues - Not Significant**

**Increase Local Govt. Expenditures - Not Significant**

Estimate assumes that:

- any increase in state expenditures resulting from the investigation of violations of the provisions of this bill will not be significant.
- local government impact depends upon the number of persons convicted of this offense and the resulting increased cost to local governments to confine such persons versus the increased revenues to local governments from fines levied and collected under the provisions of this bill.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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